

Senate File 487 - Introduced

SENATE FILE 487

BY FEENSTRA

A BILL FOR

1 An Act relating to property assessment and taxation by
2 establishing a method for determining property assessment
3 limitations and including applicability provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 441.21, subsection 5, Code 2011, is
2 amended to read as follows:

3 5. For valuations established as of January 1, 1979,
4 commercial property and industrial property, excluding
5 properties referred to in section 427A.1, subsection 8, shall
6 be assessed as a percentage of the actual value of each class
7 of property. The percentage shall be determined for each
8 class of property by the director of revenue for the state in
9 accordance with the provisions of this section. For valuations
10 established as of January 1, 1979, the percentage shall be
11 the quotient of the dividend and divisor as defined in this
12 section. The dividend for each class of property shall be the
13 total actual valuation for each class of property established
14 for 1978, plus six percent of the amount so determined. The
15 divisor for each class of property shall be the valuation
16 for each class of property established for 1978, as reported
17 by the assessors on the abstracts of assessment for 1978,
18 plus the amount of value added to the total actual value by
19 the revaluation of existing properties in 1979 as equalized
20 by the director of revenue pursuant to section 441.49. For
21 valuations established as of January 1, 1979, property valued
22 by the department of revenue pursuant to chapters 428, 433,
23 437, and 438 shall be considered as one class of property and
24 shall be assessed as a percentage of its actual value. The
25 percentage shall be determined by the director of revenue in
26 accordance with the provisions of this section. For valuations
27 established as of January 1, 1979, the percentage shall be
28 the quotient of the dividend and divisor as defined in this
29 section. The dividend shall be the total actual valuation
30 established for 1978 by the department of revenue, plus ten
31 percent of the amount so determined. The divisor for property
32 valued by the department of revenue pursuant to chapters 428,
33 433, 437, and 438 shall be the valuation established for 1978,
34 plus the amount of value added to the total actual value by
35 the revaluation of the property by the department of revenue

1 as of January 1, 1979. For valuations established as of
2 January 1, 1980, commercial property and industrial property,
3 excluding properties referred to in section 427A.1, subsection
4 8, shall be assessed at a percentage of the actual value of
5 each class of property. The percentage shall be determined
6 for each class of property by the director of revenue for the
7 state in accordance with the provisions of this section. For
8 valuations established as of January 1, 1980, the percentage
9 shall be the quotient of the dividend and divisor as defined in
10 this section. The dividend for each class of property shall
11 be the dividend as determined for each class of property for
12 valuations established as of January 1, 1979, adjusted by the
13 product obtained by multiplying the percentage determined
14 for that year by the amount of any additions or deletions to
15 actual value, excluding those resulting from the revaluation
16 of existing properties, as reported by the assessors on the
17 abstracts of assessment for 1979, plus four percent of the
18 amount so determined. The divisor for each class of property
19 shall be the total actual value of all such property in 1979,
20 as equalized by the director of revenue pursuant to section
21 441.49, plus the amount of value added to the total actual
22 value by the revaluation of existing properties in 1980. The
23 director shall utilize information reported on the abstracts of
24 assessment submitted pursuant to section 441.45 in determining
25 such percentage. For valuations established as of January 1,
26 1980, property valued by the department of revenue pursuant
27 to chapters 428, 433, 437, and 438 shall be assessed at a
28 percentage of its actual value. The percentage shall be
29 determined by the director of revenue in accordance with the
30 provisions of this section. For valuations established as of
31 January 1, 1980, the percentage shall be the quotient of the
32 dividend and divisor as defined in this section. The dividend
33 shall be the total actual valuation established for 1979 by
34 the department of revenue, plus eight percent of the amount so
35 determined. The divisor for property valued by the department

1 of revenue pursuant to chapters 428, 433, 437, and 438 shall
2 be the valuation established for 1979, plus the amount of
3 value added to the total actual value by the revaluation of
4 the property by the department of revenue as of January 1,
5 1980. For valuations established as of January 1, 1981,
6 and each year thereafter, the percentage of actual value as
7 equalized by the director of revenue as provided in section
8 441.49 at which commercial property and industrial property,
9 excluding properties referred to in section 427A.1, subsection
10 8, shall be assessed shall be calculated in accordance with
11 the methods provided ~~herein~~ in this subsection, except that
12 any references to six percent in this subsection shall be four
13 percent. For valuations established as of January 1, 1981,
14 and each year thereafter, the percentage of actual value at
15 which property valued by the department of revenue pursuant
16 to chapters 428, 433, 437, and 438 shall be assessed shall be
17 calculated in accordance with the methods provided herein,
18 except that any references to ten percent in this subsection
19 shall be eight percent. Beginning with valuations established
20 as of January 1, 1979, and each year thereafter, property
21 valued by the department of revenue pursuant to chapter 434
22 shall also be assessed at a percentage of its actual value
23 which percentage shall be equal to the percentage determined
24 by the director of revenue for commercial property, industrial
25 property, or property valued by the department of revenue
26 pursuant to chapters 428, 433, 437, and 438, whichever is
27 lowest. For valuations established for the assessment year
28 beginning January 1, 2012, and each assessment year thereafter,
29 the percentage of actual value as equalized by the director
30 of revenue as provided in section 441.49 at which commercial
31 property that is new commercial property shall be assessed
32 shall be ninety percent. For purposes of this section, "new
33 commercial property" means a parcel of real estate containing
34 no existing buildings or structures and upon which the
35 construction of buildings or structures is commenced after

1 January 1, 2011, and that, but for this provision, would be
2 assessed as other commercial property under this subsection.

3 Sec. 2. Section 441.21, subsection 8, paragraph b, Code
4 2011, is amended to read as follows:

5 b. Notwithstanding paragraph "a", any construction or
6 installation of a solar energy system on property classified
7 as agricultural, residential, commercial, new commercial, or
8 industrial property shall not increase the actual, assessed,
9 and taxable values of the property for five full assessment
10 years.

11 Sec. 3. Section 441.21, subsections 9 and 10, Code 2011, are
12 amended to read as follows:

13 9. Not later than November 1, 1979, and November 1 of
14 each subsequent year, the director shall certify to the
15 county auditor of each county the percentages of actual
16 value at which residential property, agricultural property,
17 commercial property, new commercial property, industrial
18 property, and property valued by the department of revenue
19 pursuant to chapters 428, 433, 434, 437, and 438 in each
20 assessing jurisdiction in the county shall be assessed for
21 taxation. The county auditor shall proceed to determine the
22 assessed values of agricultural property, residential property,
23 commercial property, new commercial property, industrial
24 property, and property valued by the department of revenue
25 pursuant to chapters 428, 433, 434, 437, and 438 by applying
26 such percentages to the current actual value of such property,
27 as reported to the county auditor by the assessor, and the
28 assessed values so determined shall be the taxable values of
29 such properties upon which the levy shall be made.

30 10. The percentage of actual value computed by the
31 director for agricultural property, residential property,
32 commercial property, new commercial property, industrial
33 property, and property valued by the department of revenue
34 pursuant to chapters 428, 433, 434, 437, and 438 and used to
35 determine assessed values of those classes of property does not

